

Laurel E. Babero

Honorable Laurel E. Babero
United States Bankruptcy Judge



Entered on Docket
July 26, 2018

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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

<p>In re:</p> <p>MEDIZONE INTERNATIONAL, INC.,</p> <p style="text-align: right;">Debtor.</p>	<p>Case No. BK-S-18-12662-LEB</p> <p>Chapter 7</p> <p>ORDER GRANTING MOTION FOR APPROVAL OF BID PROCEDURES AND TO APPROVE SALE OF ESTATE PROPERTY FREE AND CLEAR OF ANY INTEREST</p> <p>Hearing Date: July 24, 2018 Hearing Time: 2:30 p.m.</p>
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The Trustee's *Motion For Approval of Bid Procedures and to Approve Sale of Estate Property Free and Clear of Any Interest* (the "Motion") [ECF No. 60] having come before this Court on the 24th day of July, 2018, pursuant to an Order Shortening Time [ECF No. 65]; Lenard E. Schwartzter, Chapter 7 Trustee (the "Trustee") appearing by and through his counsel, Jason A. Imes., Esq., of the Schwartzter & McPherson Law Firm, and other parties appearing as noted on the record; the Court finding that notice has been given to all creditors and parties in interest as required by law, there being no opposition, the Court having jurisdiction to consider the Motion and requested relief in accordance with 28 U.S.C. §§157 and 1334, and this being a core

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proceeding pursuant to 28 U.S.C. §157(b); the Court have determined that the Bidding Procedures as set forth in the Motion are fair, reasonable and appropriate, reflect the Trustee's exercise of prudent business judgment consistent with his fiduciary duties, and designed to maximize the value to be obtained by the bankruptcy estate for the assets; the Court having made its findings of fact and conclusions of law upon the record which are incorporated herein pursuant to Federal Rules of Bankruptcy Procedure 9014(c) and 7052, and for good cause appearing,

IT IS HEREBY ORDERED that the Trustee's Motion is GRANTED; and

IT IS FURTHER ORDERED that the Sale Agreement (as that term is defined in the Trustee's Motion) is hereby approved pursuant to Sections 363(b) and (f) of the Bankruptcy Code, and the Trustee is hereby authorized to take all necessary steps to complete and close the sale contemplated therein, and to transfer the Assets (as that term is defined in the Sale Agreement) to Edwin G. Marshall and Jill C. Marshall, N.M.D., or their nominees ("Marshall" or the "Buyer"), free and clear of all liens, encumbrances, interests and claims, in accordance with the terms of the Sale Agreement, subject to any qualified and accepted overbids made in a manner consistent with the BID PROCEDURES approved herein; and

IT IS FURTHER ORDERED that the following BID PROCEDURES are approved for the proposed sale of substantially all of the Debtor's assets as detailed in the Motion:

- a. Any overbid must incorporate all other terms of the Sale Agreement (except as to purchase price), including without limitation the absence of any financing or due diligence contingency;
- b. Any overbid must be accompanied by a good-faith cash deposit in an amount no less than \$100,000.00, delivered to the Trustee by certified funds no less than three (3) business days prior to the auction; and
- c. Any overbid must offer a cash purchase price that is at least \$575,000.00, and is at least \$35,000 greater than any preceding overbid accepted by Trustee; and
- d. The Marshalls have the right to match any overbid accepted by the Trustee as to purchase price, upon the same terms as the Sale Agreement in all other respects, in which event the Marshalls shall become the accepted bidder, subject to further

- 1 overbids; and
- 2 e. In the event that the Assets are sold to a purchaser other than the Marshalls, the
- 3 Trustee shall pay the Marshalls a breakup fee in the amount of \$35,000.00, at the
- 4 close of such sale from the sales proceeds; and
- 5 f. In the event any party intends to overbid, the Trustee proposes that said auction be
- 6 conducted in open court and under the supervision of the Bankruptcy Court, and
- 7 that the second highest bidder, if consenting, be designated as the backup bidder.

8 **IT IS FURTHER ORDERED** that a SALE HEARING shall be held before this Court on

9 **August 7, 2018, at 2:30 p.m.**, for the purpose of conducting the proposed auction in open court

10 and under the supervision of the Bankruptcy Court, to confirm the results of said auction, for final

11 approval of the sale free and clear of all liens, encumbrances, interests and claims, to determine if

12 the sale has been conducted in good faith for purposes of 11 U.S.C. §363(m), and to consider

13 waiving any stay of the order pursuant to Fed.R.Bankr.P. 6004.

14 **IT IS SO ORDERED.**

15 Submitted by:

APPROVED / DISAPPROVED

17 /s/ Jason A. Imes., Esq.,

18 Jason A. Imes, Esq.

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22 *Attorneys for Lenard E. Schwartzer, Trustee*

/s/ Merle C. Meyers, Esq.

Merle C. Meyers, Esq.

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Attorneys for Edwin Marshall and Jill Marshall

LR 9021 CERTIFICATION

In accordance with LR 9021, counsel submitting this document certifies that the order accurately reflects the court's ruling and that (check one):

☐ The court waived the requirement of approval under LR 9021(b)(1).

☐ No party appeared at the hearing or filed an objection to the motion.

☒ I have delivered a copy of this proposed order to all counsel who appeared at the hearing, and any unrepresented parties who appeared at the hearing, and each has approved or disapproved the order, or failed to respond, as indicated below:

MERLE C. MEYERS, ESQ.: APPROVED

☐ I certify that this is a case under Chapter 7 or 13, that I have served a copy of this order with the motion pursuant to LR 9014(g), and that no party has objection to the form or content of the order.

/s/ Jason A. Imes., Esq., _____.

Jason A. Imes, Esq.

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